



SUPPLEMENTAL

COUNCIL AGENDA: 10-05-04
ITEM: 4.5

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Sara L. Hensley

SUBJECT: See Below

DATE: 09-28-04

Approved

Date

9.28.04

Council District: Citywide
SNI Area: N/A

**SUBJECT: DISCUSSION AND ACTION ON THE USE OF OUTSIDE
CONSULTANTS TO SUPPORT LEADERSHIP DEVELOPMENT AND
TRAINING ACTIVITIES AT THE NEIGHBORHOOD DEVELOPMENT
CENTER**

REASON FOR SUPPLEMENTAL REPORT

This is a cross-referenced item from the Building Strong Neighborhoods Committee report of September 20, 2004, Item e, entitled "Neighborhood Development Center Update."

RECOMMENDATION

It is recommended that City Council approve PRNS's plan to institute limited use of outside consultants at the Neighborhood Development Center ("NDC") to provide certain leadership and training activities, which will allow PRNS to better meet operational needs identified after the City Auditor's Office recommendation of July, 2003.

In July 2003, the City Auditor issued Report 03-07 entitled "An Audit of the Neighborhood Development Center of the Department of Parks, Recreation and Neighborhood Services." In that report, Recommendation #4 called for PRNS to "reconfigure and consolidate the Neighborhood Academy." It was noted that approximately \$10,000 could be saved by eliminating the use of outside consultants. PRNS agreed with this recommendation and took steps to revamp the NDC's programs to eliminate the use of outside paid consultants. The Auditor's report was approved by the City Council on August 26, 2003.

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During FY2003-04, two developments occurred that warrant reconsideration of the issue. The first development is the result of the extensive service review process conducted at the NDC. The review included focus groups, customer surveys and 1-1 interviews with neighborhood association groups, past participants, SNI PAC/NAC representatives, Council offices and other City staff. The input we received indicated a need and desire for a more advanced curriculum of leadership training and a broader range of activities for diverse constituencies.

The second issue relates to the budget process and subsequent bumping of staff. The employee turnover at the NDC was approximately 40% as a result of the civil service bumping process. This could potentially have a significant impact on service delivery as time and training is needed to bring new employees up to speed. In order to respond to customer input and take proactive steps to ensure continued success at the NDC, it is recommended that City Council approve PRNS's plan to institute limited use of outside consultants at the Neighborhood Development Center ("NDC") to provide certain leadership and training activities, which will allow PRNS to better meet operational needs identified after the City Auditor's Office recommendation of July, 2003.

ANALYSIS

More than 200 NDC stakeholders participated in the service review process. While there was strong support for current NDC services, participants indicated that many community leaders would benefit from more advanced training and networking opportunities. It was recommended that the NDC consider revising its programs to provide more opportunities for coaching, mentoring and learning best practices. Guest lectures from recognized leaders in the field of community organizing and leadership development were also recommended.

When the City Auditor's report was issued, the concern was that there was too much reliance on outside consultants in providing basic NDC services. PRNS agreed and took steps to build the internal capacity needed to provide the basic leadership academy. In FY2003-04, more than 170 residents participated in NDC leadership academies including 11 residents who participated in our first academy conducted in Vietnamese. Working in collaboration with our community partners and other City departments, PRNS was able to provide these services without the use of outside consultants.

In spite of the recent staff turnover, PRNS believes it can continue to provide the basic academy training without the use of outside consultants. However, the most cost effective manner in which to develop the internal capacity for more advanced programs as well as to respond to the public's desire for guest lectures may be the use of paid consultants. While the City Auditor's report did not specifically prohibit the use of outside consultants for the academy program, it has been interpreted in that manner. In light of this and the City's more recent efforts on contracting-in whenever possible, the Department is requesting clarification on this issue and requests that the City Council confirm the use of funds for outside consultants as an eligible expense.

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PUBLIC OUTREACH

This item was initially discussed at the September 20, 2004 Building Strong Neighborhoods Committee public meeting and the Committee recommended that the City Council take the appropriate action needed to allow the use of outside consultants.

COORDINATION

This item has been coordinated with the City Manager's Budget Office and the Office of the City Attorney.

COST IMPLICATIONS

There will be no increase in the overall budget of the NDC; however, the use of funds to hire outside consultants at the NDC would be considered an eligible activity.

CEQA

This is not a project.



SARA L. HENSLEY
Director of Parks, Recreation
and Neighborhood Services

